

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	72200	Agenda Number	30.
Meeting Date:		June 22, 2017			
Department:		Purchasing			
Subject					
Authorize negotiation and execution of a 36-month contract with EMPLOYEE OWNED NURSERY ENTERPRISES, LTD DBA ORGANICS “BY GOSH”, to provide organics processing services, in an estimated amount of \$1,510,000, with three 12-month extension options in an estimated amount of \$940,000 for the first option, \$950,000 for the second option, and \$960,000 for the third option, for a total contract amount not to exceed \$4,360,000.					
Amount and Source of Funding					
Funding in the amount of \$125,834 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Resource Recovery. Funding for the remaining 33 months of the original contract period and extension options are contingent upon available funding in future budgets.					
Fiscal Note					
A fiscal note is not required.					
Purchasing Language:	The Purchasing Office issued a Request for Proposals (RFP) SLW0509REBID for these services on May 30, 2016 and it closed on June 28, 2016 with one offer received. The recommended offer is the sole offer submitted by a responsible offeror. Additional information on the solicitation is included below the line. The recommended offeror is the current provider for these services.				
Prior Council Action:					
For More Information:	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or AgendaOffice@ austintexas.gov NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation’s Authorized Contact Person: Sandy Wirtanen, at 512-974-7711 or Sandy.Wirtanen@ austintexas.gov				
Boards and Commission Action:	February 8, 2017 – Recommended by the Zero Waste Advisory Commission on a 7-0-2-2 vote, with Commissioners Acuna and Savage abstaining and Commissioners Bones and Iampietro absent.				

Related Items:	
MBE / WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

Additional Backup Information

The contract for organics processing is needed to accommodate the expansion of the organics collection program in Austin. The current program handles material from about 14,300 homes and will be expanding based on Council approval with an additional 37,000 homes in 2017 and 52,000 homes for the next three years after that. The contract will allow the diversion of food waste that is currently being landfilled and help the City get closer to our zero waste and carbon neutral goals.

An evaluation team with expertise in this area evaluated the offers and scored Employee Owned Nursery Enterprises, Ltd. dba Organics "by Gosh" as the best to provide these services based on system concept and solution, applicable experience, contingency plan, location of the drop-off facility, total evaluated cost and local business presence.

Without a contract, the City will not be able to expand the program as anticipated, leaving residents without an organics collection program.

A complete solicitation package, including a response list, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#).

EMPLOYEE OWNED NURSERY ENTERPRISES, LTD dba ORGANICS "BY GOSH"

	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	36	\$ 1,510,000	n/a	n/a
Extension Option 1	12	\$ 940,000	n/a	n/a
Extension Option 2	12	\$ 950,000	n/a	n/a
Extension Option 3	12	\$ 960,000	n/a	n/a
TOTAL	72	\$ 4,360,000	\$ -	\$ -